

National Assembly for Wales  
Public Accounts Committee  
PAC(4)-28-14 ptn6

**Y Pwyllgor Cyfrifon Cyhoeddus**  
**Public Accounts Committee**

Dr Andrew Goodall  
Director General, Health and Social  
Services  
Welsh Government  
Cathays Park  
Cardiff CF10 3NQ



6 November 2014

Dear Dr Goodall,

Thank you for attending the Committee's meeting on Tuesday to discuss NHS Governance arrangements following our inquiry into Betsi Cadwaladr University Health Board. As you might expect, the Committee were very disappointed to learn at very short notice that the Welsh Government, Wales Audit Office and Healthcare Inspectorate Wales had agreed that BCUHB required an escalation in its support to Targeted Intervention.

A particular issue that you mentioned as contributing to this decision was the Board's prediction that its expenditure would exceed its financial settlement for the present year. When you appear before the Committee again on 11 November we will want to explore this issue further, and what the current financial position is for all health boards in Wales.

The Committee will also want to better understand the additional resources for health boards in 2014-15, announced in the Welsh Government's Draft Budget. This would include how they will be allocated between boards and the purpose of this funding - that is, whether it constitutes additional resource for additional activity or if it is being provided to meet existing shortfalls in allocations, as identified by boards' projections for in-year expenditure.

If the funding is to meet existing needs, the Committee would want to understand whether the announced funding will be adequate, given we are already aware of BCUHB's projection. We would also want to understand whether this is creating a potentially unsustainable demand on the Welsh Budget.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Darren Millar'.

**Darren Millar AM**

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Croesewir gohebiaeth yn y Gymraeg a'r Saesneg / We welcome correspondence in both English and Welsh

**Chair**